

This instrument prepared by
and return to:
J. Philip Jones, Esq.
Martin, Tate, Morrow & Marston, P.C.
6000 Poplar Avenue, Suite 340
Memphis, Tennessee 38119-3971
(901) 767-5063

STATE MS. - DESOTO CO.
FILED

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BK 1226 PG 0737
W.E. CLARK, CLERK.

THIRD MODIFICATION AND EXTENSION AGREEMENT
(DeSoto County)

THIS THIRD MODIFICATION AND EXTENSION AGREEMENT ("Agreement") made and entered into as of the 29th day of May, 2000, by and between FIRST TENNESSEE BANK NATIONAL ASSOCIATION, a national banking association (the "Lender"); LOEB BROS. REALTY, a Tennessee general partnership, successor-by-merger to LOEB BROS. REALTY, L.P., a Tennessee limited partnership; LOEB REALTY CO., INC., a Tennessee corporation, and SOUTH WILLETT, a Tennessee general partnership, successor-by-merger to SOUTH WILLETT, L.P., a Tennessee limited partnership (hereinafter collectively referred to as the "Borrower"); ROBERT E. LOEB and LOUIS S. LOEB (collectively the "Guarantors"); LOEB REALTY, a Tennessee general partnership, successor-by-merger to LOEB REALTY, L.P., a Tennessee limited partnership ("Realty"); LOEB PROPERTIES, INC., f/k/a LOEB INDUSTRIES, INC., a Tennessee corporation ("Properties"); LOEB INVESTMENT CO., a Tennessee general partnership, successor-by-merger to LOEB INVESTMENT CO., L.P., a Tennessee limited partnership ("Investment"), and by YORKSHIRE PROPERTIES, a Tennessee general partnership, successor-by-merger to YORKSHIRE PROPERTIES, L.P., a Tennessee limited partnership ("Yorkshire"). The Borrower, the Guarantors, Realty, Properties, Investment and Yorkshire may hereinafter sometimes be collectively referred to as the "Loeb Entities."

RECITALS:

A. The Borrower has obtained from the Lender a revolving line of credit (the "Line of Credit") as set forth in that certain Third Amended and Restated Credit Agreement of even date herewith (hereinafter, as heretofore, hereafter or hereby amended or restated referred to as the "Credit Agreement").

B. The indebtedness existing under the Line of Credit is secured by various items of collateral including, without limitation, the lien of that certain Deed of Trust and Fixture Filing, Assignment of Rents and Security Agreement appearing of record in Book 786, Page 101, in the DeSoto County Chancery Court Clerk's Office (hereinafter, as supplemented, released, amended or restated, together with the Guaranty Agreements executed by the Guarantors, collectively referred to as the "Collateral").

C. The Loeb Entities have asked the Lender to extend the maturity date and for certain other financial accommodations, and the Lender has agreed to comply with such requests subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises, the financial accommodations extended by the Lender to the Borrower, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by and between the parties as follows:

1. Recitals. All recitals of fact set forth above are hereby ratified and affirmed as true and correct statements of fact.

2. Maturity Date. The Maturity Date of the Line of Credit is hereby extended to and including May 28, 2001. All Collateral documents, including, without limitation, those appearing of record, are hereby modified and amended where applicable to change the maturity date of the indebtedness secured thereby to May 28, 2001.

3. Full Force and Effect. Except as modified hereby, the Credit Agreement and all other loan documents, evidencing, securing or relating to the Line of Credit and/or the Collateral shall continue in full force and effect as contained therein on the date hereof. Each of the Loeb Entities hereby ratifies and affirms each and every term and provision thereof as heretofore modified or as modified hereby, and reaffirms all obligations outstanding under, or in regards to, the Credit Agreement, the Line of Credit and all other Loan Documents to which each is a party without any defense as to the enforcement thereof by the Lender.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

LENDER:

FIRST TENNESSEE BANK NATIONAL
ASSOCIATION

By: 

Title: SENIOR VICE PRESIDENT

BORROWER:

LOEB REALTY CO., INC.


By: 

Robert E. Loeb

Title: President

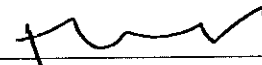
LOEB BROS. REALTY

By: Loeb Realty Co., Inc.,
Authorized General Partner



By: 
Robert E. Loeb
Title: President

SOUTH WILLETT.

By: Loeb Realty Co., Inc.,
Authorized General Partner

By: 
Robert E. Loeb
Title: President


GUARANTORS:


ROBERT E. LOEB

LOUIS S. LOEB

REALTY:

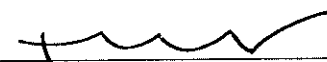
LOEB REALTY

By: Loeb Realty Co., Inc., Authorized General
Partner

By: 
Robert E. Loeb
Title: President

PROPERTIES:

LOEB PROPERTIES, INC.

By: 

Robert E. Loeb
Title: President

INVESTMENT:
LOEB INVESTMENT CO.

By: [Signature]
Robert E. Loeb
Title: Authorized General Partner

YORKSHIRE:
YORKSHIRE PROPERTIES

By: Loeb Realty Co., Inc., Authorized General
Partner

By: [Signature]
Robert E. Loeb
Title: President

STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert Nieman, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the Vice President of FIRST TENNESSEE BANK NATIONAL ASSOCIATION, the within named bargainor, a Tennessee banking corporation, and that he as such Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such Vice President.

WITNESS my hand and official seal at office this 29th day of June, 2000.

[Signature]
NOTARY PUBLIC

My Commission Expires: MY COMMISSION EXPIRES APRIL 30, 2002



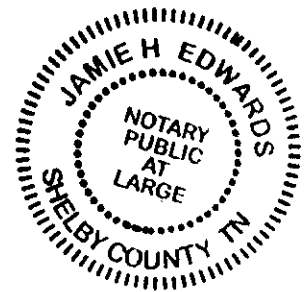
STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President of LOEB REALTY CO., INC., within named bargainor, a Tennessee corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such President.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004



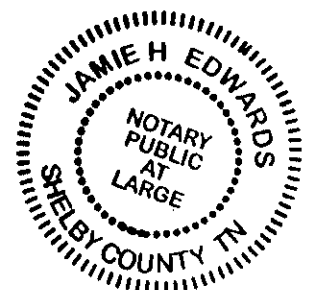
STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President of LOEB REALTY CO., INC., the general partner of LOEB BROS. REALTY, the within named bargainor, a Tennessee general partnership, and that he as such President of such general partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, the general partner of the within named bargainor, by himself as such President.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004



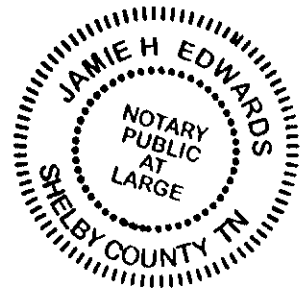
STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President of LOEB REALTY CO., INC., the general partner of SOUTH WILLETT, the within named bargainor, a Tennessee general partnership, and that he as such President of such general partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, the general partner of the within named bargainor, by himself as such President.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004



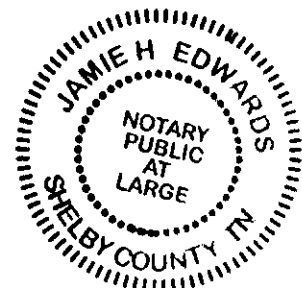
STATE OF TENNESSEE
COUNTY OF SHELBY

Personally appeared before me, a Notary Public in and for said state and county, duly commissioned and qualified, ROBERT E. LOEB, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and notarial seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My commission expires: My Commission Expires May 11, 2004



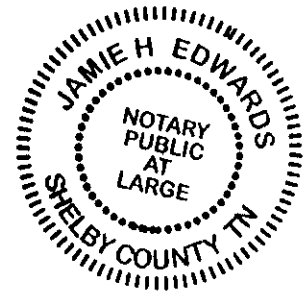
STATE OF TENNESSEE
COUNTY OF SHELBY

Personally appeared before me, a Notary Public in and for said state and county, duly commissioned and qualified, LOUIS S. LOEB, the within named bargainor, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that he executed the within instrument for the purposes therein contained.

WITNESS my hand and notarial seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My commission expires: My Commission Expires May 11, 2004



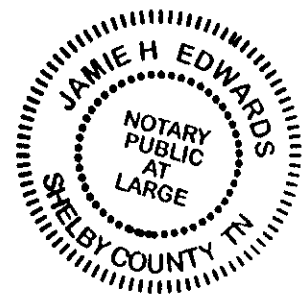
STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President of LOEB REALTY CO., INC., the general partner of LOEB REALTY, the within named bargainor, a Tennessee general partnership, and that he as such President of such general partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, the general partner of the within named bargainor, by himself as such President.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004



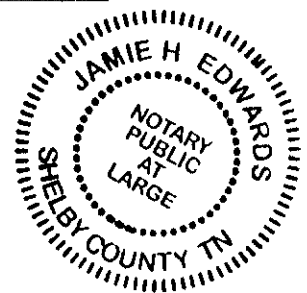
STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President of LOEB PROPERTIES, INC., within named bargainor, a Tennessee corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such President.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004

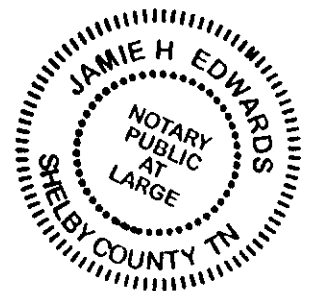
STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the authorized general partner of LOEB INVESTMENT CO., the within named bargainor, a Tennessee general partnership, and that he as such general partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the partnership by himself as such authorized general partner.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004



STATE OF TENNESSEE
COUNTY OF SHELBY

Before me, the undersigned Notary Public in the state and county aforesaid, personally appeared Robert E. Loeb, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who acknowledged himself to be the President of LOEB REALTY CO., INC., the general partner of YORKSHIRE PROPERTIES, the within named bargainer, a Tennessee general partnership, and that he as such President of such general partner, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation, the general partner of the within named bargainer, by himself as such President.

WITNESS my hand and official seal at office this 23rd day of June, 2000.

Jamie H. Edwards
NOTARY PUBLIC

My Commission Expires: My Commission Expires May 11, 2004

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